

Frequency Response Reform March Webinar

Webinar 26/03/2025 Q&A

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Service implementation

- *Can you clarify if this new service will replace the existing MFR requirements contained in Mandatory Services Agreements (MSAs) or will be complementary to this (and optional to participate in)? Would MSAs need to be revised?*

Yes, in the longer term MSAs will need to be revised to replace the MFR requirement with the new service. When this happens will depend on the development and uptake of the new service.

- *This definition of optional service excludes availability payments, which will enormously put up prices for utilisation, and reduce participation greatly, because plants will have to keep capacity available without payment.*

The service as designed does include availability payments during instruction periods. Unfortunately the definition of “optional service” is vague and inconsistent, however the intended measures are spelled out clearly in the attached service design document.

- *2-minute lead time is geared for asynchronous plant. Synchronous plant cannot respond in that time if not synchronised; can deliver limited capacity within 2 mins if synchronised but can deliver much more if longer lead times are given.*

In line with how MFR is currently used, if a synchronous unit is required to provide response in real-time and is offline, it will first be synchronised by NESO.

NBM market access

- *You mentioned that you expect stacking with Balancing Reserve, which as I understand it is BM only. How would NBM units be able to stack in a similar way to allow them to compete on a level playing field in this market with BM units?*
- *I think NBM are being given many of the key obligations of the BM while being shut out of large parts of optional markets and other markets such as the Balancing reserve. Why is there not a NBM version of the BM as this would optimise outcomes for customers and result in more flexibility available for NESO?*

Public

NESO's preferred strategy is to continue to remove barriers to entry to the BM, in order to avoid running two parallel but separate balancing markets.

Inertia and synchronous plant

- *A question was asked about whether a service replacing MFR should mandate that participants be synchronous and able to contribute inertia.*

The ability to synchronise to the power system and provide inertia has never been a prerequisite to MFR provision, and bundling it into the new service would unhelpfully distort the market. There is a minimum inertia requirement (see [FRCR](#)) which is procured separately via the stability pathfinder among other routes.

The proposed service is an expansion of the Dynamic Response service, which is already open to both synchronous and asynchronous assets. It is an ongoing priority for NESO to remove barriers to entry to this and other services for all technology types.